

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON

TaxAssist Accountants
1 Rosemont Road
London
NW36NG

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2022**

TRUSTEES

A Barrie (Resigned June 2022)
A De Souza
A Fenton (Resigned December 2022)
A Lebedev
B Jenkins
B Elfick (Appointed April 2022)
C A McCabe
C McCabe (Resigned April 2022)
C Dimond
E Perkins (Resigned June 2022)
G Hoff (Appointed April 2022)
I Johnson
J Teo (Appointed November 2022)
L Maunder (Resigned June 2022)
M Harris (Resigned August 2022)
M Baugh
R Powell
R Heffner
R Winker
S Tett
T Ravalde

PRINCIPAL ADDRESS

Victoria Rd,
Kensington
London
W8 5RQ

**REGISTERED CHARITY
NUMBER**

1173041

INDEPENDENT EXAMINER

TaxAssist Accountants
1 Rosemont Road
London
NW36NG

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Aims and purposes

The primary object of all PCCs is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England and is to cooperate with the minister in promoting the whole mission of the Church. The incumbent provides spiritual leadership for Christ Church with the support of the other clergy and ministry staff. In terms of PCC membership, the aim is to recruit a cross-section of individuals with involvement in a variety of the areas of the church's ministry activities. Some members are already involved in leadership in an area of the church's mission and ministry; some bring specific professional skills and experience that are useful for the proper functioning of the PCC. PCC members are made aware of their trustee responsibilities. Training in matters such as health and safety, food safety, and safeguarding is undertaken by role holders with particular responsibility for the matter in question.

OBJECTIVES AND ACTIVITIES

When planning our activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and the supplementary guidance on charities established for the advancement of religion.

The church's objectives are

- Regular public worship open to all.
- The provision of sacred space for personal prayer and contemplation.
- Pastoral work, including visiting the sick and the bereaved.
- Teaching of Christianity through sermons, courses and small groups.
- Taking of religious assemblies in schools.
- The provision of a youth club with a Christian ethos.
- Promotion of Christianity through the staging of events.

There has been no change in the policies adopted to meet these objectives during the year.

ACHIEVEMENT AND PERFORMANCE

A year of continued ministry

After the turbulence of Covid, it was a relief that ministry at Christ Church in 2022 was in many ways similar to 2021. God values faithfulness and so we as a PCC thank him for enabling the church to keep doing things that glorify him, build one another up and share the good news with others.

Our Sunday services broadly followed the pattern with which we were familiar, with the main change being that the 6pm service moved to 5pm, partly to accommodate families and partly to enable a new term-time seminar slot, 'Sunday Night Topics', of which more below.

We had 11 small group Bible studies meeting regularly, including a new, mixed group at the vicarage on a Tuesday night, to enable the church to arrange babysitters so that more parents can be studying the Bible as couples. All our Bible studies now look at the same book of the Bible so that members of the church family can talk more easily with a wider range of people about what we are learning together.

**THE PAROCHIAL CHURCH COUNCIL OF THE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

ACHIEVEMENT AND PERFORMANCE

A year of continued ministry

Other activities included:

- Christianity Explored and Hope Explored groups
- A new monthly book group
- Wednesday Community Coffee Mornings
- Friday morning 'Bumps and Babies', supporting local parents and carers
- Friday evening Youth Group
- Student weekends away and other getaways
- Guest events including an evening with Tim Farron, an Easter family fun Day, garden parties, a street bazaar, involvement in Platinum Jubilee celebrations, screening of the funeral of HM the Queen.
- A full programme over Easter and Christmas (though we note that numbers at these are far from returning to pre-pandemic levels).

Grasping some nettles

While all the things mentioned above represent ministry-as-usual, we want to acknowledge that, as we entered into 2022, the church was unsettled. This was for a number of reasons:

- We were in an interregnum and had been without a vicar for some time.
- The morning congregation had yet to pick up momentum lost over Covid.
- A further ten people left the evening congregation in the autumn of 2021, in addition to those who left in 2020.
- We faced a large budget deficit.
- It had been a turbulent few years and there were lessons for us still to learn from that.
- Several of our more experienced staff planned to leave part way through the year.

2022 to some extent had to be about working through these challenges and finding our feet again. The PCC has sought to be deliberate about this and we thank God for leading us.

Key features of our response included the following:

- A desire among the PCC to bring the two congregations closer to each other. Initiatives include both services hearing the same sermon and news each week and shared church family lunches.
- A commitment to better, faster and more direct communication across the whole church. Examples include sharing PCC minutes with the whole church and augmented weekly email.
- An enhanced role for PCC subcommittees, with a lot of work done in 2022 by the HR subcommittee, in particular, to improve our processes.
- More investment in team-building, including the staff, wardens and other key volunteers going away for a few days in September to try to establish common goals and expectations.
- A facilitated 'lessons learned' exercise for the PCC over a whole Saturday morning.

**THE PAROCHIAL CHURCH COUNCIL OF THE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

ACHIEVEMENT AND PERFORMANCE

Grasping some nettles

-Sunday Night Topics, where a format of talk, discussion and open Q&A enables the church to work through a range of issues together. These evenings have quickly become established with 30-40 people there each week.

-An aim to wean ourselves off seed-funding and be self-supporting financially by the end of 2023.

We believe that we are already seeing the benefit of some of these responses and we hope that they will lead to greater unity, stability, joyfulness and usefulness for the church as a whole.

Changes on the staff team

2022 marked something of a changing of the guard.

In April Brian Elfick was inducted as our new Vicar. Brian had previously worked with young people at Stowe School, pastored a congregation at a church in Greenwich, Connecticut and led the student ministry at St Andrew the Great in Cambridge. His most recent post was Rector of St Philemon's, Toxteth, an inner-city church in Liverpool. He came to us with his wife, Alice, and three primary school-aged children.

Over the summer, several key members of staff moved on from Christ Church in line with long-established plans. Rob Perkins, Greg Pye and Adele Pye all headed off to Oak Hill to train for ordination in the Church of England, and Mark Harris also left so that his part-time role with the Bible Society in Parliament could develop into a full-time one. Rob, Greg, Adele, Mark and his wife Louise have all been outstanding servants of Christ Church and had a deep influence upon many of us. We will miss them, even as we look forward to seeing how the Lord will use them in the future.

In December there was also the unplanned departure of Andy Fenton. Andy had been on a leave of absence since April 2022, initially initiated by the wardens and then extended by the Bishop of Kensington. The PCC was greatly concerned over a period of several months to work out how best to care and provide for Andy and his family. He moves on with our prayers and love, to be involved with the 9:38 organisation.

Meanwhile, the Lord raised up three gifted Ministry Trainees from within our church family: Tristan Bacon, Gabriel Chan and Pippa James. They have hugely enjoyed their time with us so far and we are blessed to have them ministering among us. Tristan and Pippa will be staying on for a second year.

HON. SECRETARY'S REPORT

In April 2022, Ian Johnson and Sarah Tett were re-elected as churchwardens and, as a PCC, we appointed individuals to the roles listed earlier in this report. We met four times via video conference and six times in person. The Standing Committee met regularly between Council meetings, while subcommittees convened on an ad-hoc basis. We are continuing to grow the subcommittees' role to better harness their expertise and PCC time. PCC minutes are available on request.

From January to April, we focused on making Brian's arrival as seamless as possible. We refreshed our policies, overhauled the Risk Register, updated safeguarding procedures, reviewed contracts and salary structures, monitored building and fabric updates, and made arrangements to recruit ministry trainees. We also received training from the Archdeacon and the Finance Officer, who provided guidance on how to be more effective PCC members and fulfil our financial responsibilities as trustees

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

**ACHIEVEMENT AND PERFORMANCE
HON. SECRETARY'S REPORT**

At his first meeting, Brian spoke on the Great Commission (Matthew 28:18-20) and how we as a PCC might play our part in it. With this disciple-making ambition in mind, at our subsequent meetings, we decided to move the evening service to an earlier time to serve families and make space for additional teaching; we also aimed to foster greater unity and appeal to new demographics by agreeing a shared DNA across the morning and evening services. We reflected on the challenges the church has faced, resulting in improved communication and a 'lessons-learned' review led by Gordon Hoff.

Other matters we considered included how best to care for Andy Fenton during his unplanned departure, and building and fabric issues, such as tower repairs. In regards to finances, we received regular updates on our accounts, and approved staff pay rises, new rental rates for building users and a 2023 budget. We prepared for the West London Mission Trust's support to come to an end and discussed potential future uses for the trust.

BUILDINGS AND FABRIC REPORT

As a Building & Fabric Committee, we made good progress with the items on the Quinquennial Inspection (QI) report and met twice in 2022. At February's meeting, we discussed the vestibule stonework maintenance, the garden, the potential for new bike racks and how to improve accessibility and sustainability. Claire attended a meeting of the Christ Church Community Trust to discuss how they could raise funds for the large tower repair project recommended in the QI; we are keen to develop a partnership with the Trust. We held off progressing other large items until Brian arrived. Brian joined the committee in June and helped us to develop a Mission Statement:

"The Building and Fabric Subcommittee aims to help Christ Church in its mission of making disciples of Christ through helping the church to care for its building and fabric. This involves considering the recommendations of the Quinquennial Inspection, carrying out research, making proposals and scrutinising quotes. The committee aims to meet 3-4 times a year, communicating via email in between."

The following points summarise the key items we addressed in 2022:

Quinquennial Inspection Report Update:

- Many smaller items are completed, such as gas safety checks and pipework insulation.
- The vestibule repointing has been on hold awaiting updated quotes, but the architect confirmed it was not a high priority.
- ARTArchitects conducted a survey of the tower and spire and explained in more detail the required repairs.

Landscaping:

- We are considering various improvements to the garden including paving, drainage and low railings to protect flower beds. Many of these proposals would need to wait until the tower repairs are carried out.

Cycle storage:

- Following the survey, we have proposed a ten-bike rack in place of the current storage. Space limitations prohibited installing a new rack in addition to the existing rack. A DAC application needs to be developed to begin the installation.

Accessibility and Sustainability:

- We have obtained quotes for an access audit and have applied for grant funding.
- We aim to consider a long-term plan for heating the building more sustainably.
- We are researching replacing the pews in the nave with more flexible seating, both to make the seating more accessible on Sundays and to create greater capacity in the building for events other than Sunday services.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

Hon. Treasurer's Report

The financial position of Christ Church ended the year significantly better than the PCC had expected, with a much smaller deficit than budgeted. This was primarily because of a larger seed funding donation being received towards the end of the year than had been expected during the budgeting process.

There remains a positive cash reserves balance (above our reserves policy level). A deficit budget was set for 2022 of £118,644 and we ended the year with a deficit of only £10,728 on our unrestricted funds. There were further deficits of £4,647 and £6,452 in the restricted and endowment funds, respectively.

The income generated by Christ Church continues to be primarily derived from congregational giving and the hiring of church premises by non-affiliated organisations. For 2022, our total unrestricted income was £585,392 compared to £541,636 in 2021. Please join us in continuing to thank God for this generous provision and in praying for his continued provision over the coming years.

Financial position

The financial position of Christ Church ended the year with a positive cash reserves balance (above our reserves policy level). This is despite ending the year with a deficit of £10,729 on our unrestricted funds and deficit of £11,097 in the designated and restricted funds.

The income generated by Christ Church continued to be primarily derived from congregational giving and hiring of church premises by non-affiliated organisations. For 2022, our total unrestricted income was £585,392 compared to £541,636 in 2021.

Giving (Donations & Legacies)

Our overall Donations and Legacies Income for unrestricted funds in 2022 was £483,617 compared to £475,172 in 2021.

Other Trading Activities (including income from rentals)

The total trading activities income of the church (which are primarily unrestricted) increased, with the 2022 income being £84,669 rather than £65,172 in 2021.

Resources expended

Total resources expended in 2022 of unrestricted funds were £596,120 and a further £16,472 of expenditure within restricted & designated funds.

Our unrestricted expenditure of £596,120 can be split into two main categories. The first is expenditure on charitable activities, which covers our Common Fund contribution, staffing, direct mission and ministry costs and supporting our mission partners, which was £581,031 and decreased £532,409 in 2022. The PCC had reviewed the way that staff roles were funded and from 2022 asked that donations from external trusts should come through Christ Church, so that the church accounts include the full cost of the staff team.

The second category of expenditure is other expenditure (for example professional fees, utilities, cleaning and gardening), which is £63,710 and is £10,272 more than 2021.

**THE PAROCHIAL CHURCH COUNCIL OF THE
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KENSINGTON**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

FINANCIAL REVIEW

Balance sheet

The total net assets for Christ Church at 31 December 2022 were £869,798 compared to £891,625 in 2021. Of this amount, £338,154 are fixed assets including building and improvements, particularly related to the east end building works added in 2017. The assets include a total cash balance of £519,027, which includes £254,749 of unrestricted funds cash.

Reserves policy

It is PCC policy to try to maintain a balance on free reserves (free cash) which equates to at least three months' unrestricted payment. This is equivalent to £149,030 (25% of the whole year's running costs). It is held to smooth out fluctuations in cash flow and to meet emergencies. The balance of the free reserves at the year-end was £254,749 which is higher than this target. The balance of £264,278 is made up of £24,667 in the restricted fund is retained for specific initiatives of the PCC and a designated fund of £239,610 towards clergy accommodation & PCC initiatives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, governance and management

The PCC is a body corporate established by the Church of England. It is controlled by its governing documents, the Parochial Church Councils (Powers) Measure 1956 and the Church Representation rules, both as amended.

There were 20 members of the PCC across 2022, elected and ex officio, drawn from the morning and evening congregations. At the end of 2022, there were 14 members, 10 of whom were elected, with the balance comprising clergy and members who, as churchwardens or members of the Diocesan or Deanery Synods, are ex officio members.

In addition to the statutory Standing Committee, the PCC has additional subcommittees that draw on the expertise of the wider church family. At the end of 2022, the subcommittees were constituted as follows:

-The Standing Committee transacts the business of the PCC between meetings and comprised Brian Elfick, Ian Johnson, Caroline McCabe, Rich Powell, Tom Ravalde and Sarah Tett.

-The Buildings & Fabric Subcommittee use their expertise to assist the PCC in overseeing the maintenance and care of the church building and to bring issues, which need resolution, to the attention of the PCC. This committee comprised Claire Dimond, Jennifer Freeman, Winnie Ip and Rowena Winkler.

-The Finance Subcommittee assists the Treasurer in overseeing the financial affairs of the church and to bring to the PCC an annual budget, regular updates on income and expenditure, and any issues that require resolution, together with recommendations on possible courses of action. They can also approve spends up to amounts specified in the Finance Policy, which is approved by the PCC. This committee comprised Roselle Fox, Andrey Lebedev, Caroline McCabe and Josephine Teo.

-The Mission & Partnerships Subcommittee makes recommendations to the PCC on which local, national and international causes Christ Church should support through financial gifts, prayer and other means of partnership. They lead on due diligence of these causes and help to think through how to engage the wider church family. This committee comprised Felipe Gana Skinner, Nathan Hall and Ben Jenkins.

-The Human Resources (HR) Subcommittee carries out research and benchmarking exercises on staff salaries and benefits and makes recommendations to the PCC on contracts and policies relating to employment, including the HR Handbook. This committee comprised Richard Heffner, Ben Jenkins, Josephine Teo and Sarah Tett

As vicar, Brian Elfick is an ex officio member of all subcommittees.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk Management and Safeguarding

In March 2022 the PCC overhauled its risk register and risk mitigation framework (available on request). This makes clear our belief that "the greatest risk of all is that we lose connection with Christ, our head (Colossians 2:19). If we have that vital connection, all else will come right. If we lose it, ultimately we lose everything worth having." Other risk categories covered include:

- Governance: skills and experience, competence, processes and organisation of the PCC, etc.
- Operations: child protection, health & safety, plant & equipment, physical safety, etc.
- Financial: income stability, reserves, cashflow, investments, fraud, etc.
- External: economic situation, public policy, public health, demographic changes, etc.
- Regulatory: government requirements / reporting, disability discrimination, etc.

While this register cannot provide absolute assurance, the steps taken should enable the PCC and the church to achieve its objectives. Each itemised risk has a corresponding mitigation measure and specific individuals and groups who take responsibility for this.

Safeguarding

At Christ Church, safeguarding is an integral part of our ongoing work to protect children and vulnerable adults from harm. It is not just a set of procedures to be followed when things go wrong, but also about prevention and protection from harm, building a positive safeguarding culture. In compliance with the Safeguarding and Clergy Discipline Measure 2016, the PCC has given "due regard" to the House of Bishops' guidance on safeguarding, and we follow the Diocesan regulations to ensure the highest level of safeguarding in our church. Safeguarding responsibilities are shared between the Parish Safeguarding Officer (PSO) and the vicar.

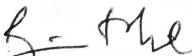
A key focus of 2022 was to continue where we left off in 2021 in updating our 'Safer Recruitment' procedures to reflect updated diocesan guidance, working with Brian to design a process that is helpful for all involved as members of the church family start volunteering in different areas of church life. These procedures include new 'Role Descriptions', a volunteer 'Values Statement' (which includes the Church of England's Code of Safer Working Practice), and increased training for recruiters. We also appointed Amelia Ravalde as our Social Media 'Named Person', to whom all staff are accountable for their use of social media from a safeguarding perspective.

Administrative Information

Christ Church forms part of the Kensington Deanery in the Episcopal Area of Kensington, within the Diocese of London. The PCC is a body corporate established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a registered charity subject to the Charities Act 2011 (registered number 1173041).

For details of Trustees, Principal address and Independent Examiner please refer page 1 of report.

Approved by order of the board of trustees on **17/04/2023** and signed on its behalf by:


.....
B Elfick – Chair of Trustees

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

We report to the charity trustees on our examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of Christ Church, Kensington (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

We report in respect of our examination of the Trust's accounts carried out under section 145 of the Act and in carrying out our examination we have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a body listed section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies. Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

We understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

We have completed our examination. We can confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

TaxAssist Accountants
Institute of Chartered Accountants in England and Wales
Independent Examiner
TaxAssist Accountants
1 Rosemont Road
London
NW36NG

Date: 28/04/2023

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies		483,618	125	2,399	486,142	492,481
Charitable activities	5					
Sales within charitable activity		16,686	-	-	16,686	1,246
Other trading activities	3	84,669	-	-	84,669	65,172
Investment income	4	<u>419</u>	<u>-</u>	<u>2,850</u>	<u>3,269</u>	<u>140</u>
Total		<u>585,392</u>	<u>125</u>	<u>5,249</u>	<u>590,766</u>	<u>559,039</u>
EXPENDITURE ON Charitable activities						
Other trading activities	6	<u>533,347</u>	<u>2,130</u>	<u>11,701</u>	<u>547,178</u>	<u>592,581</u>
		533,347	2,130	11,701	547,178	592,581
Other	7	<u>62,773</u>	<u>2,642</u>	<u>-</u>	<u>65,415</u>	<u>54,303</u>
Total		<u>596,120</u>	<u>4,772</u>	<u>11,701</u>	<u>612,593</u>	<u>646,884</u>
NET INCOME/(EXPENDITURE)		(10,728)	(4,647)	(6,452)	(21,827)	(87,845)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>382,539</u>	<u>263,825</u>	<u>245,261</u>	<u>891,625</u>	<u>979,470</u>
TOTAL FUNDS CARRIED FORWARD		<u>371,811</u>	<u>259,178</u>	<u>238,809</u>	<u>869,798</u>	<u>891,625</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

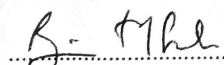
**THE PAROCHIAL CHURCH COUNCIL OF THE
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KENSINGTON**

**BALANCE SHEET
31 DECEMBER 2022**

		2022	2021
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	338,155	343,000
CURRENT ASSETS			
Debtors	13	100,575	110,377
Cash at bank		<u>519,027</u>	<u>526,457</u>
		619,602	636,834
CREDITORS			
Amounts falling due within one year	14	(87,959)	(88,209)
		<u>531,643</u>	<u>548,625</u>
NET CURRENT ASSETS			
		<u>531,643</u>	<u>548,625</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>869,798</u>	<u>891,625</u>
NET ASSETS			
		<u>869,798</u>	<u>891,625</u>
FUNDS	16		
Unrestricted funds:			
General fund		371,811	382,539
Restricted funds:			
Restricted Fund		259,178	263,825
Endowment funds:			
Endowment		<u>238,809</u>	<u>245,261</u>
TOTAL FUNDS		<u>869,798</u>	<u>891,625</u>

17/04/2023

The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:


.....
B Elfick – Chair of Trustees

The notes form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with the Charities Act 2011 and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2016). The church is a Public Benefit Entity as defined by FRS 102.

The church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

INCOMING RESOURCES

Income is recognised when the church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Freehold property	- not provided
Fixtures and fittings	- 10% on cost
Computer equipment	- 33% on cost

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

See below further explanation of the nature and purpose of each fund.

Unrestricted funds: money that may be expended on the day-to-day mission and ministry of Christ Church.

Restricted funds: money donated on the basis that they may only be expended on specific restricted projects. Usually this is for building projects, but not exclusively. This category included Designated Funds, which the PCC is free to re-designate as circumstances may require.

- **Restricted - AV:** This fund is specifically for the raising funds towards our AV upgrade, and associated expenditure.

- **Ministry Trainees:** This fund is specifically for raising funds to support ministry trainees, and for associated expenditure.

Endowment Fund: Exactly which funds are included in this category are defined by the Charities Statement for Recommended Practice, for Christ Church the money in this fund can only be used in relation to Pipe Organ costs or the purchase of clergy accommodation.

- **Designated Fund:** This fund only gathers interest on the income received on the historic sale of a property.

- **Designated Funds for Fenton & Harris Housing:** These funds are specifically for the additional income & expenditure related to the housing of Rev'd Andy Fenton, and Rev'd Mark Harris.

- **Designated Organ Fund:** This fund is specifically for the upkeep of the pipe Organ, and the raising of funds towards a new pipe organ.

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting end date, the church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FINANCIAL INSTRUMENTS

The church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 other 'Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the church's balance sheet when the church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DERECOGNITION OF FINANCIAL LIABILITIES

Financial liabilities are derecognised when the church's contractual obligations expire or are discharged or cancelled.

EMPLOYEE BENEFITS

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

In the application of the church's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	<u>84,669</u>	<u>65,172</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable - trading	<u>3,269</u>	<u>140</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Sales within charitable activity	<u>16,686</u>	<u>1,246</u>

6. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Other trading activities	163,807	140,876
Staff costs	377,588	446,859
Bad debts	938	-
Depreciation	<u>4,845</u>	<u>4,846</u>
	<u>547,178</u>	<u>592,581</u>

7. OTHER

	2022	2021
	£	£
Other Expenditure	<u>65,415</u>	<u>54,303</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Five trustees (or any persons connected with them) received remuneration or benefits from the church during the year.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	354,931	417,173
Other pension costs	<u>22,657</u>	<u>29,686</u>
	<u>377,588</u>	<u>446,859</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	5	7
Clergy	<u>4</u>	<u>4</u>
	<u>9</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

Wages and salaries figure stated above includes wages, salaries, clergy stipend and housing costs.

10. 2021 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	475,172	308	17,001	492,481
Charitable activities				
Sales within charitable activity	1,246	-	-	1,246
Other trading activities	65,172	-	-	65,172
Investment income	<u>46</u>	<u>-</u>	<u>94</u>	<u>140</u>
Total	<u>541,636</u>	<u>308</u>	<u>17,095</u>	<u>559,039</u>
EXPENDITURE ON				
Raising funds				
Other trading activities	<u>581,031</u>	<u>288</u>	<u>11,262</u>	<u>592,581</u>
	581,031	288	11,262	592,581
Other	<u>53,439</u>	<u>391</u>	<u>473</u>	<u>54,303</u>
Total	<u>634,470</u>	<u>679</u>	<u>11,735</u>	<u>646,884</u>
NET INCOME/(EXPENDITURE)	(92,834)	(371)	5,360	(87,845)

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. 2021 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
Transfers between funds	(13,279)	(25,272)	38,551	-
Net movement in funds	(106,113)	(25,643)	43,911	(87,845)
RECONCILIATION OF FUNDS				
Total funds brought forward	488,652	289,468	201,350	979,470
TOTAL FUNDS CARRIED FORWARD	<u>382,539</u>	<u>263,825</u>	<u>245,261</u>	<u>891,625</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2022 and 31 December 2022	<u>320,125</u>	<u>48,454</u>	<u>2,623</u>	<u>371,202</u>
DEPRECIATION				
At 1 January 2022	-	25,579	2,623	28,202
Charge for year	-	<u>4,845</u>	-	<u>4,845</u>
At 31 December 2022	-	<u>30,424</u>	<u>2,623</u>	<u>33,047</u>
NET BOOK VALUE				
At 31 December 2022	<u>320,125</u>	<u>18,030</u>	-	<u>338,155</u>
At 31 December 2021	<u>320,125</u>	<u>22,875</u>	-	<u>343,000</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	8,680	4,788
Other debtors	(200)	(200)
Amounts owing between funds	83,306	83,306
Prepayments and accrued income	(9,486)	(950)
Prepayments	<u>18,275</u>	<u>23,433</u>
	<u>100,575</u>	<u>110,377</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	4,653	5,403
Other creditors	<u>83,306</u>	<u>82,806</u>
	<u>87,959</u>	<u>88,209</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
Fixed assets	15,530	322,625	-	338,155	343,000
Current assets	355,325	24,668	239,609	619,602	636,834
Current liabilities	<u>956</u>	<u>(88,115)</u>	<u>(800)</u>	<u>(87,959)</u>	<u>(88,209)</u>
	<u>371,811</u>	<u>259,178</u>	<u>238,809</u>	<u>869,798</u>	<u>891,625</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	382,539	(10,728)	371,811
Restricted funds			
Restricted Fund	263,825	(4,647)	259,178
Endowment funds			
Endowment	245,261	(6,452)	238,809
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>891,625</u>	<u>(21,827)</u>	<u>869,798</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	585,392	(596,120)	(10,728)
Restricted funds			
Restricted Fund	125	(4,772)	(4,647)
Endowment funds			
Endowment	5,249	(11,701)	(6,452)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>590,766</u>	<u>(612,593)</u>	<u>(21,827)</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. MOVEMENT IN FUNDS - continued

2021 Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	488,652	(92,834)	(13,279)	382,539
Restricted funds				
Restricted Fund	289,468	(371)	(25,272)	263,825
Endowment funds				
Endowment	201,350	5,360	38,551	245,261
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>979,470</u>	<u>(87,845)</u>	<u>-</u>	<u>891,625</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	541,636	(634,470)	(92,834)
Restricted funds			
Restricted Fund	308	(679)	(371)
Endowment funds			
Endowment	17,095	(11,735)	5,360
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>559,039</u>	<u>(646,884)</u>	<u>(87,845)</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	488,652	(103,562)	(13,279)	371,811
Restricted funds				
Restricted Fund	289,468	(5,018)	(25,272)	259,178
Endowment funds				
Endowment	201,350	(1,092)	38,551	238,809
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>979,470</u>	<u>(109,672)</u>	<u>-</u>	<u>869,798</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,127,028	(1,230,590)	(103,562)
Restricted funds			
Restricted Fund	433	(5,451)	(5,018)
Endowment funds			
Endowment	22,344	(23,436)	(1,092)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,149,805</u>	<u>(1,259,477)</u>	<u>(109,672)</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

18. FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	(806)	3,838
Carrying amount of financial liabilities		
Measured at amortised cost	4,615	4,900

**THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Non gift aid donation & Grants	268,399	268,623
Donations	139,858	116,074
Collection at Services	32,661	59,385
Donated services and facilities	<u>45,224</u>	<u>48,399</u>
	486,142	492,481
Other trading activities		
Fundraising events	84,669	65,172
Investment income		
Interest receivable - trading	3,269	140
Charitable activities		
Sales within charitable activity	<u>16,686</u>	<u>1,246</u>
Total incoming resources	590,766	559,039
EXPENDITURE		
Other trading activities		
Charitable Expenditure	163,807	140,876
Wages, salaries, clergy stipend	354,931	417,173
Pensions	22,657	29,686
Bad debts	938	-
Fixtures and fittings	4,845	4,845
Computer equipment	<u>1</u>	<u>1</u>
	547,178	592,581
Other		
Other Expenditure	<u>65,415</u>	<u>54,303</u>
Total resources expended	<u>612,593</u>	<u>646,884</u>
Net expenditure	<u><u>(21,827)</u></u>	<u><u>(87,845)</u></u>

This page does not form part of the statutory financial statements